

LSE Africa Summit: Entrepreneurship as Africa's Tool to Reclaim Power

LSE's Abdul Abdulrahim lauds the role of entrepreneurship in giving rise to the new caring and sharing innovative elite.

I want to hear every African say Africapitalism. I want to see it written in every newspaper and magazine. I want it to ring so loudly that everyone who hears it will have to ask: "What is Africapitalism?" The days of demeaning African aid are ending and Africapitalism is the future.

Africapitalism is about creating value within Africa for the long-term. It is about transforming the continent in a way that is both profitable and sustainable. It is also a call-to-action for Africans to take primary responsibility for our own development and for non-Africans to evolve their thinking about how best to channel their efforts and investments in the region. (Source: **Tony Elumelu Foundation**) This simple word is all about a power shift that has been long coming. It is about Africans taking responsibility for our home, something that we have not been able to do for a long time.

Africa's power has always been concentrated among those who best survived the brawl to the top. Once there, the newly-established political elite found it so comfortable that those left behind were forgotten. Then another route to rise emerged – entrepreneurship. It has no bias, no qualms with gender while rewarding hard work. It is finding a way to rebalance the power that has for so long been held by African aristocrats. Best of all, it is real. Entrepreneurs such as **Evans Wandongo**, **Juliana Rotich** and **Njideka Harry** have stepped up to create change. There was no waiting for aid, pity or lengthy discussions. Another stand-out entrepreneur is **Saran Kaba Jones**, founder of FACE Africa, a firm that funds and implements sustainable clean water, sanitation and hygiene projects in sub-Saharan Africa utilising local labour, materials and resources.



In a 2005 report by the CATO Institute it was argued that entrepreneurs were facing daunting constraints. They were prevented from creating wealth by predatory political elites that controlled the states. African political elites used marketing boards and taxation to finance their own consumption. Six years later, The Economist published a report on the rising few who influence countries not through politics but through their brains – the innovative. The likes of Jones,

Wandogo, Harry and Rotich have been successful in achieving something that seemed impossible even less than a decade ago.

Why is entrepreneurship so important? That is because it disrupts the status quo and creates new and more efficient ways of achieving goals. Some argue that successful entrepreneurship exacerbates local inequality, but this is not the case with African entrepreneurship. Ours is not born of the ordinary capitalists' goal for superior wealth. It is founded out of necessity. Jones' FACE Africa was a **product** of the Liberian conflict. Its aim is to help others reclaim the means to build a better life and prosper. Similarly, fellow Africans have used the tool of entrepreneurship to reclaim the power taken from their people. Undoubtedly, the result of successful entrepreneurship is sometimes superior wealth, but those who make it to the top create opportunities for others. One example is the philanthropist Tony Elumelu – founder of Heirs Holding and coiner of the term Africapitalism. His efforts are aimed at re-establishing Africa as an investment opportunity, no longer dependent on aid. Through his foundation, he is also building an army of budding entrepreneurs, improving access to finance for start-ups and providing policy advice for the public sector.

Now the question is how we see this change moving forward, whether this tool, entrepreneurship, is truly what it seems. I could attempt to discuss this subject at greater length but I fear I would not do it enough justice. For a more comprehensive overview of entrepreneurship and its potential in Africa, join us at the **LSE Africa Summit** from 3-5 April 2014. LSE's strength has always been in its research and engaging with developments across the world. The summit intends to put this to good use over the three days of the Summit. We will cover aspects of law and entrepreneurship through the Alistair Berkley lecture, analyse concrete developments relating to finance, women, agriculture and innovation through a research conference and discuss at a higher level the issues facing successful and emerging entrepreneurs in a business conference.

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